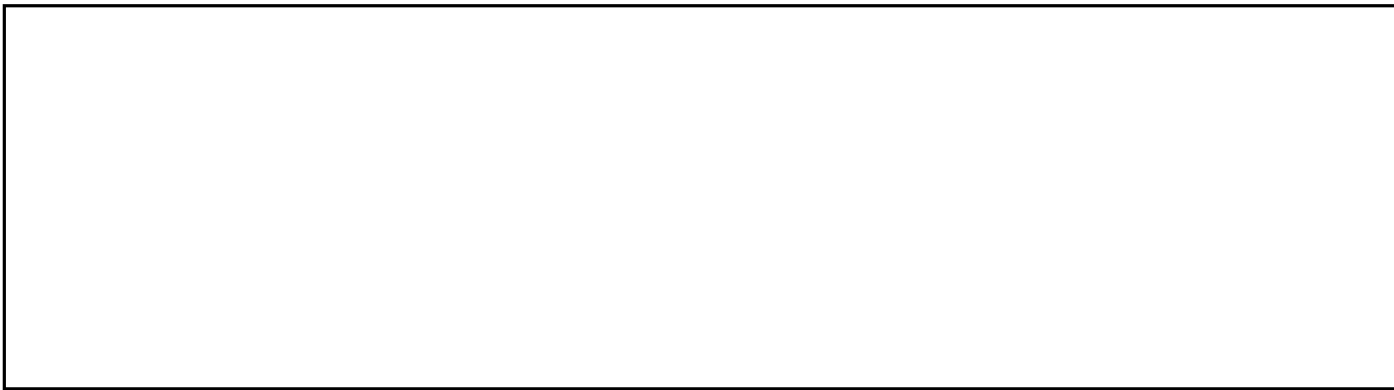


NSC BRIEFING

25X1 10 April 1957

NORTH AFRICAN DEVELOPMENTS

- I. No evidence of material let-up in 30-month-old Algerian rebellion. Lacoste's latest prediction--"material improvement" of France's military position by June--appears as unlikely as his earlier predictions.
- A. Rebel strength still 20-30,000; military capabilities much improved over last year; determined to stay in field two more years if necessary.



- C. Morocco, Tunisia unofficially providing assistance. At same time, both governments urging rebels--thus far unsuccessfully--to reach interim agreement with French.
- II. Elsewhere in N. Africa, Morocco's relations with France particularly sour.
- A. One issue: France withholding needed loans. Morocco may seek funds elsewhere.
1. One possibility--higher asking price during forthcoming base and VOA negotiations with US.
 2. Another--deal with Sov "trade delegation" (arrived Rabat 9 Apr).
- B. Another issue: 30,000 French troops still in Morocco. Rabat wants them evacuated.
- C. Another issue: French southern boundaries:

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1. Moroccans demanding border commission.
 2. French irritated by Moroccan claims to Mauritania.
- III. Meanwhile, French relations with Tunisia only relatively better.
- A. Tunisian fiscal problem even graver than Morocco's.
 1. Perennial unemployment worsened by third year of drought.
 - B. Tunisians also want French army evacuation hastened.

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